

TOPIC: FY10-11 JBC FIGURE SETTING FOR HIGHER EDUCATION

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I. SUMMARY

The Joint Budget Committee (JBC) held their figure setting hearing for the Department of Higher Education's FY10-11 budget on Tuesday, February 23rd. The figure setting hearing is held between the committee and JBC staff, the meeting is not open to testimony from the Department or the public. The purpose of the hearing is to set the level of funding for each line item in the higher education budget. The JBC either accepts recommendations from the Governor's and/or CCHE's budget request, new recommendations from JBC staff or the JBC members create their own recommendations.

JBC Actions:

The JBC approved the recommendations from the Governor's budget request in most major budgetary areas including but not limited to:

- Need Based Grants
- Governing Board Allocations
- Local District Junior College Allocations
- Tuition Footnote

The JBC approved different recommendations than the Governor's budget request in the following areas:

- *Work Study:* The Governor's request for Work Study included a \$1.1 million transfer from Work Study to the Native American tuition waiver program at Ft. Lewis College to cover increases to the waiver program. The JBC approved continuation funding for Work Study and will need to find \$1.1 million from another source to transfer to the waiver program to balance the budget.
- *Teach Colorado Grant:* The Governor's and CCHE's request was to continue the \$500,000 level of funding for the Teach Colorado Grant. The JBC approved JBC staff recommendation to eliminate funding for this program on the basis that the funds could be used more effectively by reducing cuts to the Department of Education's share of per pupil funding.

JBC Proposed Legislation:

The JBC considered one piece of legislation proposed by the Governor's most recent February 18th budget balancing request, which requires a transfer of \$45.2 million from CollegeInvest's Early Achievers Scholarship Trust Fund to the General Fund to address the FY10-11 shortfall. \$15.4 million of the transfer would be used to prevent cuts to Need Based Grants and the rest would be transferred to the General Fund. The JBC did not take a vote on endorsing the legislation because one member was absent, but the committee members present indicated their support for the proposed legislation.

Forecast for Higher Education Enrollment:

The JBC also received Legislative Council's forecast for higher education enrollment and revenue for FY09-10 and FY10-11.

The forecast estimates that statewide enrollment will grow by 14,098 FTE students or a rate of 8.6% in FY09-10. In FY10-11, enrollment growth is expected to slow to 2.6% or 4,572 FTE. Tuition revenue is expected to increase by 14.3% in FY09-10 and by 9.7% in FY10-11.

The Legislative Council forecast for enrollment by governing board is attached.